



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
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May 5, 1987

Mr. Mike Roedell
Roedell Mining Company
P.O. Box 3
Moab, Utah 84532

Dear Mr. Roedell:

Re: M/015/030, Sinbad Mine, Emery County, Utah and D/019/013, Seven Mile Mine, Grand County, Utah

On April 16, 1987, I inspected the wash on the Sinbad haul road where you had backfilled with mine waste. I took a sample of the material and also checked the area with a microroentgen meter. Radiation levels measured 40 to 50 microrads/hour which is approximately four times the background count. The sample was found to measure 20 picocuries per gram. The Bureau of Radiation Control does not consider these levels high enough to warrant removal of the fill material. They do, however, recommend that you backfill with soil or gravel or install a culvert in the future.

When I spoke with your father, Bill Roedell, onsite, he mentioned that you might want to do some drilling in the future. I've enclosed a copy of the Mined Land Reclamation Act. On page 87, section five, you will find the information that we will need from you in a "letter of intention" prior to such drilling. A drill hole completion report (Form MR-9) must also be submitted after drilling is completed.

On April 27, 1987, I inspected the Seven Mile Mine in Grand County and discovered that you now have the claims on this property. The mine is currently classified as a two-acre/500 ton exemption (commonly referred to as a Declaration of Exemption or DOE) under the 1977 Mined Land Reclamation Act. This currently exempts the property from state reclamation laws, but not from the Bureau of Land Management (BLM) reclamation requirements. The 1977 Act was, however, amended in 1986 and 1987 by the state legislature. The amended act eliminates the two-acre/500 ton exemption and establishes a "small mining operation" category in its place. Small mining operations are defined as "mining operations which disturb or will disturb five or less surface acres at any given time". Small mining operations will be required by the state to reclaim at the the conclusion of mining, but there will be no reclamation bonding required in this category.

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Mr. Mike Roedell

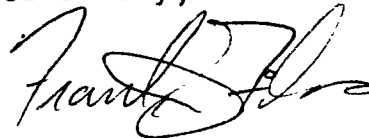
M/015/030 and D/019/013

May 5, 1987

The Division is continuing to honor Declaration of Exemptions during the interim period between the passage of the amended act and the development of accompanying rules and regulations. However, please be advised that upon promulgation of new rules and regulations, each operator possessing an approved DOE and desiring to continue mining operations will be required to refile under the provisions of the new law and regulations pertinent to a "small mining operation". The Division will notify those operators having approved DOE applications on file of the the new filing provisions when they are finalized.

Unless I hear otherwise, I will place the Declaration of Exemption for the Seven Mile Mine in your name. If you should have any questions or require additional information, please don't hesitate to call me. I appreciate, very much, the time that Bill took to meet with me at the Sinbad site, and I look forward to working with you in the future.

Sincerely,



Frank J. Filas
Reclamation Engineer

clj

Enclosure

cc: L. Braxton, DOGM

N. Simmons, BLM - San Rafael R.A.

T. McParland, BLM - Grand R.A.

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